



FACTS

A Record which is a Challenge

THE PUBLIC DEBT

The results of the sound financial policies and the careful administration of the affairs of Saskatchewan are plainly evident in the improved position as revealed by the Premier and Treasurer the Honourable W. J. Patterson, in his budget speech in the legislature on February 29, 1944. The net public debt of the province as at January 1, 1944, was \$197,477,976. He pointed to a total reduction in the public debt during 1943 of \$3,276,230.00 and a total reduction in the last two years of \$10,087,607.00.

These figures are on a comparable basis and contain outstanding debentures, treasury bills, and accounts payable at respective dates.

A few years ago when all Canada was going through a period of general financial restriction Saskatchewan was unable to make the required yearly contribution to the Sinking Funds of the province. However with improved conditions, better prices for primary products and consequently buoyant revenue all Sinking Fund obligations are now fully paid up and the total represents a substantial percentage of the bonded debt outstanding.

The Saskatchewan budget has been balanced or practically balanced in each one of the last three years. In the fiscal year 1940-41 the deficit was only \$6,073. In the fiscal year 1941-42 there was surplus of \$259,548, while in the fiscal year 1942-43 there was a surplus of \$548,119.

This graphically illustrates the vast change which has taken place in the whole financial position affecting as it does the individual citizen, the municipalities and the provincial Government. The improvement it must be emphasized is due to several factors, improved grain yields, better prices for grain and livestock and livestock products and to the diversification of farming operations.

(Correction, last paragraph, page 3)

Ten years ago the average rate of interest on Saskatchewan Bonds and Treasury Bills was 4.93 per cent. By refunding of Bonds at lower rates and by the reduction on the rate on Treasury Bills the average rate in effect now is 3.97 per-

cent. Premier Patterson in his 1944 budget speech showed that the total provincial bonds maturing since 1935 and refunded at reduced rates of interest had amounted to \$21,451,000. The interest saving as a result of these refundings was \$374,007.50 annually.

The refundings which have been carried through have resulted in a considerable reduction in the total of Saskatchewan Bonds payable in New York funds. The reduction had been \$12,555,000 thus affecting a very substantial saving in foreign exchange estimated to be approximately \$68,816 annually.

PROVINCIAL TAX COMMISSION

The Provincial Tax Commission was set up by the Provincial Government in 1938, and all the tax collecting agencies of the Provincial Government centralized under one Department. The expectation that such a consolidation would result in economy of operation and efficiency has been fully borne out by the experience during these years. A smaller staff is required than when each Department had its own revenue branch. The grouping together has made it possible to shift staff at certain seasonal periods from one division to another and efficiency has been increased by the fact that information is more readily available between the various divisions.

The following Revenue Branches are under the control of and administered by the Provincial Tax Commission:

- The Public Revenues Act.
- The Succession Duty Act.
- The Corporations Taxation Act.
- The Railways Taxation Act.
- The Wild Lands Tax Act.
- The Fuel Petroleum Products Act.
- The Vehicles Act.
- The Travelling Shows Act.
- The Income Tax Act.
- The Education Tax Act.

Revenue under the above Acts administered by the Commission increased from \$9,328,450.26 in the fiscal year 1938-39 to approximately \$14,165,000.00 in the fiscal year 1943-44. The last mentioned year is the highest revenue producing year in the history of the Commission.

Co-operation With Federal Government

The Government of Saskatchewan has kept War and the successful prosecution of it by Canada a primary consideration and in order to meet the situation of financing Canada's War Effort, Saskatchewan extended full co-operation to the Dominion Government when the request was received that

the Province relinquish certain sources of revenue for the duration of the war and one year after.

Accordingly the Provincial Government relinquished to the Dominion Government Income Tax, Corporation Tax and Railway Tax revenue, but the Dominion in turn pays to the Province an amount in excess of the highest revenue obtained by the Province in any one year in respect to these taxes. The Dominion Government guarantees to the Province a minimum revenue from Gasoline Tax equal to the revenue in 1940-41.

Public Revenue Tax

One form of Provincial taxation is the Public Revenue Tax collected by means of a rate of two mills on the dollar on the total assessment of Municipalities as used for municipal purposes and the revenues secured from this source has an average of \$2,000,000.00 yearly for the last six years.

This tax is collected through the agency of municipal councils in rural municipalities, villages, towns and cities and this method of collection is a factor in the low cost of collecting and results in the taxpayers' dollar being more fully expended in the different services.

Under the Volunteers' and Reservists' Relief Act, members of the armed forces are relieved from payment of the Public Revenue tax on property up to \$2,500.00 in assessed value and this exemption is to be kept in force until one year after the death or discharge of a soldier, sailor or airmen as the case may be.

Succession Duty Division

Since 1938 revenues obtained from Succession Duty have shown a steady and satisfactory improvement. During the fiscal year ending April 30, 1938, collections were \$252,526.00, whereas in the fiscal year ending April 30, 1944, revenues were \$481,158.00.

Gasoline Tax

The revenue from Gasoline Tax is guaranteed by the Dominion under the agreement which was made in 1940-41. Taxation of gasoline in Canada has become one of the largest sources of revenues that the Provinces possess and therefore, legislation affecting gasoline taxation has become one of the most important enactments and administration of the law, an important part of government activity.

In the Province of Saskatchewan where the primary industry is Agriculture and costs entering into the production of agricultural products must of necessity be kept as low

as possible, the farmer is exempt from gasoline tax on all his purchases of fuel used in his farming operations.

After attempting to exempt gasoline used for agriculture purposes by various methods the Government in January, 1939, introduced a system of coloured gasoline. This purple gasoline can be obtained, on demand, tax free, without any restriction as to quantity, the sole condition imposed being, that it shall be used only in tractors, combines or stationary engines for agricultural purposes on the farm. The introduction of the purple gas for agricultural purposes in Saskatchewan has proven very satisfactory and has been given wide approval by the farming industry.

This system which originated in Saskatchewan has been adopted by three other Provinces for tax exemption purposes and by the Oil Controller of Canada as the best means of identifying fuel for other than motor vehicle use.

Vehicles Tax Division

By the consolidation in 1939 of the Vehicle Act and the Public Service Vehicles Act and their administration by the Provincial Tax Commission, the public now deals with one administration instead of two.

The revenue of the fiscal year which ended April 30, 1938, was \$1,580,932.41 and for the fiscal year which ended April 30, 1944, it was \$2,792,445.94.

In the Spring of 1942 the Dominion Government decided it was essential to ration gasoline in Canada and to assist the Federal Government and also to facilitate the issue of ration books, the machinery of The Vehicles Tax Division was placed at the disposal of the Federal Government in so far as all motor vehicles with the exception of trucks were concerned. The public is thus able to obtain gasoline ration books at the same time as application is made for car registration and the necessity of communicating with two administrations is eliminated and delays avoided.

Through the efforts of the Highway Traffic Board and the co-operation of the bus operators and truckers essential highway transportation services have been maintained with a minimum of inconvenience to the public.

(Turn to Page 37 for Zoning for Cream Collection).

Income Tax

In the fiscal year ending April 1937, prior to the consolidation of this source of revenue into the Provincial Tax Commission, the gross receipts were \$633,778.35. In the fiscal year ending April 1938, being the first year in which this revenue was collected through the Commission, the sum of \$659,566.09 was collected. In every year thereafter, there was a steady increase in revenue and at the end of the fiscal

year in 1941, it had reached \$1,176,425.86. The chief reason for this increase can be attributed to the supervision and audit work done by the officers of the Commission. It was impossible when the office was run alone to employ the staff to do this class of work, as the cost would be prohibitive.

In co-operation with the Dominion Government, this source of revenue has been taken over by them for the duration of the war and one year thereafter, the revenue has been frozen at the highest amount collected from this and from Railway and Corporation Taxes has been replaced by a subsidy from the Federal Government.

EDUCATION TAX

The Education Tax Act has been in operation since August 2, 1937, and is administered by the Education Tax Division of the Provincial Tax Commission. The net proceeds from the tax are deposited in a separate trust fund known as The Education Fund Account and the account is kept in a chartered bank separate from the one which has the Consolidated Fund of the Province. All disbursements from this fund are audited by the Provincial Auditor, who is an independent official appointed by the Legislature, and are devoted exclusively to Education. The tax on sales within Saskatchewan is collected by the retail merchants of the Province who are designated as vendors and Revenue Officers and these vendors remit their collections, less four percent commission, to the Provincial Tax Commission at quarterly periods. Persons within Saskatchewan who bring goods into the Province from sources outside the Province are required to report these transactions to the Commission and pay the tax thereon. The revenue derived from the Education Tax in each fiscal year since its inception, together with the expenditures incurred in administration and the percentage cost of such administration, are set out in the schedule below:

Year	Revenue	Expenditure	% of Cost
1937-38 (9 Months).....	\$1,292,303.92	\$64,169.65	4.96
1938-39	2,342,156.68	73,232.88	3.12
1939-40	2,715,852.16	77,040.00	2.83
1940-41	3,184,373.64	89,259.67	2.80
1941-42	3,807,694.91	98,402.73	2.58
1942-43	3,747,583.45	96,149.44	2.56
1943-44 (11 Months).....	3,429,932.63	80,915.60	2.30

The actual administration consists of a permanent staff of 16 persons and the audit of various records in the field is performed by members of the Tax Audit Division who are charged with the responsibility of auditing all tax collectors and taxpayers accounts. The number of auditors engaged by the Commission in the auditing of all accounts, including Education Tax, has never exceeded 28 and due to the exigencies of war now consists of nine employees only. It should be

noted that the cost of the administration of the Act has never exceeded 4.96 percent, and this was during the first year of operation when only a partial year's revenue was collected. The average cost of collection for all years to date has been only 3.02 percent of the revenue received.

The Legislation has been designed to equalize the tax basis as between all classes of consumers and exemptions were provided in the Act for all staple food stuffs and machinery and equipment required for agricultural purposes.

SAFETY AND TRAFFIC DIVISION

In 1939, in the interest of public safety on the provincial highways, the above Division was formed and from that date various safety campaigns were launched by the Division under the sponsorship of Boards of Trade, Chambers of Commerce, Service Clubs and various police forces. Safety Bulletins were also prepared and broadcast daily during the summer months over the broadcasting stations of the province. This with a view to making the public more conscious of public safety and the Rules of the Road.

In 1939 motor vehicle registrations totalled 124,206 and accidents during that year recorded at 1,258, with 58 fatalities and property damage \$203,409.78. In 1943 motor vehicle registrations totalled 139,395, accidents recorded were 1,309, with 26 fatalities and property damage of \$206,380.53. It will be noted that while in the last mentioned year there were more vehicles registered than in the year 1939, the accident record, so far as fatalities are concerned, shows a very decided improvement. The speed limit of 40 miles per hour, placed on all motor travel by the Dominion Government for conservation purposes during the War, contributed to the result above mentioned.

AGRICULTURAL

The basis of farm income in Saskatchewan has been broadened and placed upon a much sounder and secure foundation during the war years because of the wide diversification of production. The changes which have taken place have been accelerated and encouraged by the necessity for certain class of food products and because of the prices for these essential commodities which have prevailed. These developments have had a very marked effect upon the entire economic situation in Saskatchewan. Revenue from grain has been and undoubtedly will continue to be in the province the largest item of farm revenue, however the marketing of grain is not as it formerly was concentrated into a few months. Under the quota system of deliveries it is spread out over the entire crop year and from the farmers standpoint this undoubtedly

has been of advantage. The wheat acreage in 1943 was two million acres less than in 1942 and the smallest wheat acreage since 1920. The total production of wheat in 1943 showed a large decrease as compared with 1942 due not to the reduction in acres seeded, but to a much greater extent, to lower average yield, which varied greatly over the province. In a large area on the western side the yield was poor and the Prairie Farm Assistance Act came into operation. The estimated total value of all grain and field crop produced in Saskatchewan in 1943 was \$343,233,000 as compared with \$399,324,000 in 1942. The estimated gross value of livestock and livestock products and of other products brings the total gross value in 1943 to \$488,527,000 as compared to \$508,512,000 in the previous year.

Livestock production and marketing of livestock and other products in 1943 showed a substantial increase over previous years. The number of cattle, sheep, swine and poultry on the farms increased and marketings were much higher. It is particularly noticeable with respect to hogs in regard to which there was an increase of forty percent. Egg marketing increased thirty percent and creamery butter increased fifteen percent over the previous year. While the total value of farm production in 1943 was less than in 1942 the actual farm cash income was one hundred million dollars greater than the previous year.

Farm Cash Income

The estimated farm cash income for Saskatchewan for the years 1942 and 1943 is as follows:

	1942	1943
Receipts from the sale of		
Grain and Field Crops.....	\$110,189,000	\$196,071,000
Livestock and other Products.....	85,278,000	115,366,000
Totals.....	\$195,467,000	\$311,437,000
Farm bonuses	32,723,000	17,426,000
Totals.....	\$228,190,000	\$328,863,000

These figures of estimated farm cash income are without regard to the year in which the products sold were produced on the farm or the farm bonus earned.

One of the effects of this increased farm cash income has been the greatly improved financial position of the individual farmer who has been able to pay off or reduce his debts. Thousands of mortgages have been paid off in full and an even greater number have been reduced to the point where the ultimate no longer presents difficulty.

Floor Prices for Agricultural Products

The action of the Federal Government in September of 1943 in establishing a floor advance price for wheat of \$1.25 per bushel No. 1 Northern Fort William basis and guaranteeing that this price will prevail until July 31, 1945, has been an important factor in establishing agriculture in Saskatchewan on a firmer basis. This price is "advantageous" on wheat and participation certificates will be issued for every bushel marketed. The price obtained when the wheat is sold in excess of the advance will be returned to the growers by participation payments.

There have been floor prices in effect with respect to wheat since 1935 under the Wheat Board Act. Floor prices have been established under the War Measures Act with respect to all other major farm products. At the 1944 Session of the Federal Parliament Legislation before the Commons will give a permanent basis to the Federal "floor" prices program respecting Agricultural products.

Federal Assistance to Farmers

The rehabilitation and re-establishment of agriculture in Saskatchewan following the disastrous drouth years was assisted in a most substantial and direct manner by the Federal Government. This took the form of the inauguration of something entirely new to agriculture in Canada. The first of three important Federal enactments was the Prairie Farm Assistance Act which was designed to give assistance against the demoralizing effect of relief in dried out periods. Second in importance was the Wheat Acreage Reduction Act, and thirdly the Prairie Farm Income Act. The payments which have been made by the Federal Government to the farmers of Saskatchewan under these acts are as follows:

	P.F.A.A.	P.F.I.	W.A.R.	TOTAL
1939-40	\$ 7,434,423.00	\$	\$	\$ 7,434,423.00
1940-41	5,602,401.34	.....	.....	5,602,401.34
1941-42	12,025,112.95	10,317,321.08	20,038,525.90	42,380,959.93
1942-43	.....	.....	10,934,763.82	10,934,763.82
1943-44	111,333.00	.....	10,920,757.12	11,032,090.12
	\$25,173,270.29	\$10,317,321.08	\$41,894,046.84	\$77,384,638.21

Note: Payments for seasons 1941-42 and 1943-44 subject to adjustments and completion of settlements.

Assistance to Dairy and Livestock

The Federal Government has also assisted the Dairy Industry and livestock industry in other ways and at the same time have paid subsidies to the producer which have reduced the cost of living of the consumer. Under a system of subsidies, payments have been made to primary producers of butterfat, the total amount of subsidies paid in Saskatchewan

in the period December 1, 1941 to December 1, 1943 was \$28,702,691.59. In the same period the Federal Government has paid in Saskatchewan by way of subsidies to compensate the primary producer for extra production costs and thus prevent a rise in price to the consumer of fluid milk the sum of \$11,525,652.56. The sum of \$19,009,699.67 has been paid in Saskatchewan in order to make it possible to reduce the price to the consumer of fluid milk from 12c to 10c per quart. This large sum has resulted in no reduction in what the producer received for their products and the price of milk to the consumer has been reduced. The Federal Government has also paid in Saskatchewan by way of subsidies the sum of \$800,270 with respect to milk used in the manufacturing of cheese in the months of October, November and December of 1943.

Premiums on Hogs

Only an estimate can be given as to the amount of premiums on Grade A and Grade B1 hogs by the Federal Department of Agriculture but since these payments began in January of this year the substantial amount of these premiums can be realized from the following figures:

Hogs sold January 25 to February 28, 1944:

Grade A	84,267 @	\$252,801.00
Grade B	178,432 @	356,864.00
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\$609,665.00		

If 1944 marketings are equal to those of 1943 Saskatchewan farmers would receive premiums amounting to approximately \$2,445,045.00.

CO-OPERATIVE ENTERPRISES

Saskatchewan has taken a leading position in the Dominion of Canada with respect to Co-operative Enterprises and since the formation of the Province the policy of the Liberal Government has been to encourage the co-operative movement. Even before the formation of Saskatchewan as a province the co-operative movement had been fostered and assisted by the Territorial Government and by the Dominion. First of the great co-operative movement organized in Saskatchewan was the Saskatchewan Co-operative Elevator Company organized by the farmers of the province in 1911. It grew out of the Saskatchewan Grain Growers Association, an organization in which the farmers of the province, working co-operatively, sought to improve their economic and social life. The Government has followed the policy of assisting where ever the initiative has come from the people. Obstacles have been removed which would have interfered with the successful

functioning of co-operative organization of any kind. The policy is to provide legislation and educational and research facilities and through the Co-operative and Markets Branch to assist with organization and to provide inspection services that will keep the co-operative organizations functioning for the benefit of their members. In the past five years the Co-operative Movement has developed at an accelerated rate and it is anticipated that this will continue in the post war period.

Growth of Co-operatives

The progress made by the Saskatchewan Co-operatives is graphically illustrated by the following table:

	1937-38	1942-43
Number of organizations reporting....	438	802
Membership	198,988	250,846
Assets	\$41,008,286	\$86,661,445
Liabilities	13,670,901	55,564,067
Net Worth	27,015,934	31,027,378

When the need for any certain type of co-operative activity has been indicated by the desire of the citizens to form a co-operative, financial, secretarial and educational help is sometimes given until the new organization receives support from their members to the extent that they can provide their own staff and become self-sufficient. No attempt is made to influence policies; these being left entirely to the control of the elected officials.

Credit Unions Are Increasing

One form of the co-operative movement in the province which has extended rapidly in the past five years has been under the Savings and Credit Union Act which came into force in June, 1937. From the small beginning in the first year of Credit Union when eleven were formed with a total membership of 721 and resources of \$5,256, Credit Unions increased so that on January 31, 1944 there were 128 Credit Unions in operation, and one central organization, The Credit Union Federation. At the end of 1943 membership in Credit Unions had increased to 14,597 with assets of \$796,993, while loans made in 1943 were \$823,534. Indication of the success which has attended the operation of Credit Unions is shown by the fact that since 1937 they have loaned \$1,934,867 without loss to their members.

In order to provide the services which have been found necessary to co-operative organizations in the province the activities of the Co-operation and Markets branch have been extended and where as in 1938 there were six employees there are now 14.

Co-operative Enterprises Are Increasing

The co-operative associations of various types organized under the Co-operative Associations Act, The Co-operative Marketing Associations Act, under special legislation and as joint stock companies under Provincial and Dominion Acts as at January 31, 1944 were:

Under Co-operative Associations Act.....	784
Under the Savings and Credit Union Act.....	129
Under Co-operative Marketing Associations Act.....	27
Under Special Legislation	15
Under Joint Stock Companies (Saskatchewan).....	2
Under Joint Stock Companies (Dominion).....	3

In 1942-43 thirty-one Co-operative Marketing organizations reported to the Branch with a membership of 153,738 and total assets of \$79,493,000.

There were 489 Trading Associations which reported to the Branch in 1942-43 showing assets of \$3,775,738 and sales of \$11,225,287.

Total sales from 283 Retail Trading Associations in 1937-38 were only \$3,104,406.

There is one Co-operative Oil Refinery operating in Saskatchewan and where as in 1937 the sales of this institution were \$1,000,000 in 1942-43 there were \$6,104,654.

Under the heading Co-operative Associations Miscellaneous Types there were 29 operating in 1937-38 and this number has been increased to 51 in 1942-43. This group includes a Trucking Association, a Community Cannery, a Funeral Service Association, Community Pastures, a Livestock Breeding Association, Livestock Shipping Association, and district Associations of the Canadian Co-operative Implements Limited.

Co-operative Creamery

The Saskatchewan Co-operative Creamery Association Limited is now a wholly producer owned co-operative and the second largest co-operative enterprise in Saskatchewan and the largest dairy co-operative in the Dominion of Canada. The title to the property which had been held by the government was vested in the association as from April 1, 1939. Two-thirds of the purchase price has been paid. A provincial board has been appointed to set up the organization as producer owned co-operative and the Co-operation and Markets Branch of the Department of Agriculture assists the management of the association in laying down the foundation for the plan to transfer the assets to the producers pattern on a co-operative basis. All the earnings since 1939 have been credited to the producers.

THE DAIRY INDUSTRY

The farmers of Saskatchewan have made a very great contribution to the war effort both domestically and in assistance to the Mother Land and the fighting forces through their enormous increase in dairy produce. There has been a sharply increased total milk production in the five year period 1938 to 1943, but creamery butter output is probably the best barometer of the Dairy Industry. Butter production has increased in each of the five years. In 1938 the total make was 23½ million pounds and this had risen to 47¾ million pounds in 1943 and Saskatchewan is exceeded in butter production only by the provinces of Quebec and Ontario. The Dairy Branch of the provincial Department of Agriculture has made specific contributions to this increase by assisting producers with their problems of herd management, proper handling of milk and cream, distribution of new cream cans to points where they were urgently required and where they would contribute to the delivery of the maximum quantity of cream to the manufacturing plants. The Branch has worked in closest harmony with the officers of the Wartime Prices and Trade Board and the creamery operators in zoning the province for cream trucking, and thus helped to maintain essential cream trucking services, reducing gas consumption and conserve equipment.

Herd Improvement Service

The Herd Improvement service available through the Branch which features the regular testing of cows in the herds for individual milk and butterfat has been an important factor in raising the standard of the Saskatchewan Dairy Industry contributing materially to the increased production. Probably the most important or valuable feature of the regular testing and Herd Improvement Service is the great improvement in the types of sires heading the dairy herds of the province and the great majority of progressive dairymen refuse to buy a sire which has not a known record of milk and butterfat production behind him. The improvement in the quality of Saskatchewan Creamery butter during the last five years is shown in the reports of the Federal Department of Agriculture by which it is shown that in 1943 92.2 percent of all butter graded from this province qualified for first grade, compared with 85.1 percent in 1938. Saskatchewan butter ranks very high in quality, the 1943 figures for the whole Dominion showing 84.75 percent first grade, while that of Saskatchewan was 92.2 percent first grade.

LIVESTOCK DEVELOPMENT AND ASSISTANCE

The Livestock Branch of the Provincial Department of Agriculture has assisted the farmers and stockmen to raise the standard of their stock in many different ways. Cattle Breeding has been assisted very materially by inauguration in November, 1940, of the bull purchasing policy and between that date and February 29, 1944, refunds had been granted with respect to 5,217 bulls; the expenditure being \$83,437.25. The Department also purchased twenty-five bulls at a cost of \$20,268.25 and these have been made available to the breeders of pure bred cattle in order to provide more sires of desirable quality.

Swine

Assistance to swine breeders has been by way of the distribution of pure bred boars under the Municipal Boar Policy and group shipments of Superior sows, both open and bred, by joint action of the Federal and Provincial Departments of Agriculture.

Approximate number of boars shipped 1939-44—1,025

Approximate number of sows shipped 1939-44—2,400
Most of these sows were shipped in the fall of 1942 or early in 1943.

Another important phase of the work which is being carried on to improve the herds of cattle in Saskatchewan is that which is done under the Pure Bred Sire Area Act. Thus far 138 municipalities have been gazetted as pure bred sire areas. Two more will be gazetted by November, 1944, and ten rural municipalities have petitions in circulation to set up such areas.

Seventy-three rural municipalities which have been accepted as accredited T.B. restricted areas; twelve others will receive their initial test in 1944 and fourteen will be retested in 1944.

Veterinary Services

Veterinary Service of the Department has been largely devoted in recent years to the control of swine diseases and in 1943 the veterinaries of the department investigated outbreaks of disease among swine on 374 premises and involving 29,300 swine. The officers of the department also assisted in the distribution to farmers of anti-swine erysipelas serum.

Where cattle herd owners under local by-laws are compelled to have cattle tested for contagious abortion, the Department will pay the cost of testing the blood samples at the laboratory. This applies chiefly to dairy herds which

supply milk offered for sale in towns and villages. In 1943 owners of 321 herds, with a total of 1,965 cattle, were assisted under this Policy.

Under a plan of supervised calfhood vaccination available during 1943, the Department offered assistance to herd owners in the vaccination of calves between the ages of four and eight months, with the object of increasing the resistance of the vaccinated animals to contagious abortion by providing vaccine free of charge, and in addition, paying the costs of testing the blood samples at the laboratory.

Disease Control Among Animals

Though no serious outbreaks of encephalomyelitis have occurred among horses during the past few years, an effort has been made to encourage horse owners to continue to vaccinate their horses for this disease. Some time has also been spent on the inspection of stallions for soundness.

The Department and their officers have carried on a continuous additional campaign with respect to disease control among animals and in addition to the distribution of literature meetings have been addressed and co-operation with livestock breeders has had a most beneficial effect.

LAND UTILIZATION BOARD

The depression period of the early 30's resulted in a movement of settlers from submarginal lands of Southern Saskatchewan to the North part of the province and in some cases to other parts of Canada.

The migration of people from the blown-out, dried out areas of Saskatchewan raised the question as to what should be done with the abandoned lands and under whose control they should rest in future. There was also the problem of rehabilitating those who remained.

The Land Utilization Act was passed in 1935 to take care of this problem. The Dominion Government passed the Prairie Farm Rehabilitation Act and there has been close co-operation between the administrative officers of these two acts to conserve our soil and water resources and to rehabilitate the farmers located in the dry areas of Saskatchewan.

Community Pasture Construction

The Land Utilization Board on receipt of a request from a Municipality for a community pasture makes an investigation of the area and then proceeds to obtain title until an area of sufficient size is obtained, (15,000 to 20,000 acres) and the Prairie Farm Rehabilitation Branch is then requested to construct and develop a community pasture.

Up to date there are sixty-three pastures completed and in use, involving a total area of 1,182,860 acres, and during the past season 34,025 cattle, 16,455 horses, and 3,240 sheep were grazed on these community pastures. Under the P.F.R.A. irrigation projects are built on individual farms and in the spring of 1944, 703 had been constructed of which 508 were complete and in operation.

The Saskatchewan Department of Agriculture has assumed responsibility of carrying on a follow-up programme on these irrigation projects advising the farmers how to use the water, and the best practices to be used. The Land Utilization Board has obtained title during the past five years to 4,352 pieces of land and 1,960 have been transferred to the Department of Natural Resources. 531 parcels have been leased to rural municipalities for releasing to farmers and the total submarginal certificates issued to date is 7,448.

Soil Survey

The Land Utilization Branch provided a sum of money to assist the Soils Department of the University of Saskatchewan to carry out Soil Survey work which covered areas in the Prince Albert, Nipawin, Carrot River, Tisdale and Hudsons Bay Junction, Big River, and Fort Pitt districts.

The total area included in this work was 6,710,600 acres.

BEEKEEPING

Saskatchewan is now the second largest honey producing province in the Dominion and beekeeping has developed very rapidly during the last five years. This industry now represents an investment of over \$1,000,000 in bees and equipment. The number of beekeepers has increased from 4,180 in 1939 to 7,253 in 1943 and the number of colonies from 28,000 to 54,000, while the value of the honey and wax crop has increased from \$363.00 to \$836.00.

The expenditure made by the Branch for inspection of apiaries and other assistance to beekeeping over the period 1938-39 to 1942-43 and to March 31, 1944, was \$58,779.61.

Because of the very careful and continued inspection service which has been provided to the beekeepers by this Branch of the Department, bee disease has not been allowed to increase and Saskatchewan bees have less infection than those of any other province. In 1943 only three colonies per thousand were found to be infected with American foulbrood.

Markets are being developed to keep pace with the expanding production of honey. The Saskatchewan Honey Producers Co-operative Association was organized at Yorkton in 1939 to pack and market the Saskatchewan honey crop.

In 1941 the Co-operative built its own plant at Tisdale and this organization is now playing a big part in the marketing of Saskatchewan honey and undoubtedly being a decisive factor after the war in enabling producers to market their expanding production at profitable prices.

SEED CLEANING PLANT AT MOOSE JAW

In August of 1941 the provincial Department of Agriculture undertook to operate the Dominion Seed Cleaning plant at Moose Jaw as a public utility and the Field Crops Branch of the Department was given the responsibility. A tariff of charges was published. Since that time the plant has provided a valuable service to the seed growers of the province and also the farmers. The following figures are the quantities of seed shipped to the plant for cleaning to April 30, 1944, and illustrate the service which has been given:

For Seeding	Grain	Forage Seeds
1942.....	285,066 bushels	1,901,518 lbs.
1943.....	507,402 bushels	825,566 lbs.

The final figures for the 1944 seed season, of course, are not complete. However the quantity of forage seed will be approximately 700,000 lbs. and there will be a substantial increase in the amount of seed grain handled. A feature of the 1944 seed season is the increased use of the plant by private growers of registered and certified seed grain, who ship their seed and arrange sales either before or after cleaning.

DISTRIBUTION "PURE TO VARIETY" SEED

The seed exchange plan started operation in the fall of 1933 and has been one of the major activities of the Fields Crop Branch and under it stated number of bushels of registered or certified seed was delivered in exchange for a stated number of bushels of commercial grain at the elevator.

For Seeding	Wheat	Oats	Total Bushels
1938.....	118,187	.....	118,187
1939.....	148,825	.....	148,825
1940.....	141,243	5,623	146,866
1941.....	7,222	.....	7,222
1942.....	4,157	.....	4,157

The Dominion Government until 1941 paid the freight on the movement of this grain, since then the freight has had to be included in the selling price of the seed. The rate of exchange has worked out in most years at about 135 bushels of 1 northern wheat for 100 bushels of grain seed.

In 1942 and 1943 the Fields Crop Branch assisted in the

distribution of registered and certified seed in sealed bags as follows:

	For Spring Seeding	
	1942	1943
Wheat	10,260 bushels	6,070 bushels
Oats	4,374 bushels	7,358 bushels
Barley	2,932 bushels	2,147 bushels
Flax	2,357 bushels	2,669 bushels
Rye		8 bushels

The distribution for 1944 seed has been considerably greater than either of the previous years.

POULTRY

Poultry producers of Saskatchewan have in company with the other agricultural producers made a substantial contribution to the war effort. In the past five years there has been made outstanding achievements, increased egg production, improved egg quality and an increased number of birds under flock approval.

The increased production of eggs is shown by comparative figures:

For 1939 — 4,314,990 dozen inspected.

For 1943 — 15,509,070 dozen inspected.

The improved quality is shown by the fact that 18 percent more eggs were sold as grade A in 1942 as compared with 1939.

In 1939 there were 744 approved flocks in the province consisting of 91,024 approved females and in 1943 the flocks had increased to 1,000 and there were 155,000 approved females. There has been an increase of 55 percent between 1939 and 1943 in the number of birds tested. In 1939 approximately one million chicks were hatched, whereas in 1943 three and one-half million were hatched.

The Poultry Branch licences all hatcheries, poultry produce dealers and egg grading stations.

SOIL DRIFTING

The Soil Drifting Control Act was passed in 1938. The Act could be brought into operation in a municipality by a vote of the ratepayers. Fourteen municipalities have taken advantage of the legislation and passed the necessary by-law. Prosecutions and penalties are provided for in the Act but so far no prosecutions have been made. Municipalities have reported that the adoption of the legislation by municipalities has a good psychological effect and that results have been secured without resorting to extreme measures.

INSECT CONTROL

In 1938 \$118,388.43 worth of poison bait materials for the control of grasshoppers were supplied by the branch and used in municipalities and in 1939, \$141,887.46 worth of materials were supplied and used.

Sawfly demonstrations areas were set up in co-operation with the Dominion Entomological Branch and the Agricultural Representative Service.

ALFALFA

In 1939, the Field Crops Branch in co-operation with the Co-operatives and Markets Branch assisted in the formation of eleven local alfalfa seed co-operative marketing associations, which then organized the Saskatchewan Forage Crop Growers Co-operative Marketing Association. The branch supplied seed cleaning machines to seven of the locals for "scalping" their seed before shipping it to a central cleaning plant for final processing. This was done so that shipping charges would be reduced, and also that farmers would get an appreciation of the amount of dockage or "clean-out" that has to be removed from this class of seed before it could be graded.

OLD AGE PENSIONS

At the end of the fiscal year 1942-43 13,044 persons were receiving Old Age Pensions and 319 persons were receiving Blind Pensions, the total amount paid out in pensions for this year being \$2,986,835.61.

Early in 1943 consent of the Dominion and the other provinces was obtained to the payment of a cost-of-living bonus by the Province to Old Age and Blind Persons of \$1.25 per month.

In August of 1943 a further general increase in the amount of pension paid from \$20 to \$25 per month was agreed upon by all the provinces and the Dominion. The increase in pension from \$20 to \$25 had long been pressed for by this Province but no increase could be obtained until all the provinces and the Federal Government had reached an agreement for the increase.

The payment of the increased pension will bring the annual expenditure for Old Age and Blind Pensions in the Province to over \$4,100,000.

Of those over seventy years of age in the Province more than 50 per cent receive Old Age Pension.

Heretofore, under the Old Age and Blind Persons' Pensions Acts, the moneys paid for Old Age and Blind Pensions

formed a charge on the estate of the Pensioner, the estate being liable for repayment of the pension moneys. For some time the Government of this Province had been pressing strongly on the other provinces and on the Dominion of Canada for some change in this procedure so that the pensioners might have a reasonable portion of their estate exempt from charge. In April, 1944, the Government succeeded in having estates of pensioners where the net equity is less than \$2,000 exempted from charge.

The Select Special Committee of the Legislative Assembly on Social Security and Health Services, which investigated social services in the Province in 1943 and 1944, composed of representatives of all parties in the Assembly, has unanimously reported that "Saskatchewan's social legislation, its provisions for the health of its people, its contribution towards pensions for the aged and the blind and in the form of Mother's Allowances compared favourably with those of other provinces of the Dominion." The Legislative Committee further unanimously found that, "The Government of Saskatchewan has contributed, and is contributing more generously to social welfare matters both in the form of legislation and in money than either of the neighbouring provinces."

The Government is, however, pressing not only for a further increase in the amount of Old Age and Blind Pensions, but for a lowering of the age limit. These can only be secured when all the provinces and the Dominion reach an agreement for the change.

MOTHERS' ALLOWANCES

Mothers' Allowances are paid by monthly payments under the provisions of the Child Welfare Act to assist those mothers who are financially unable to take proper care of their children and who are widows or the wives of persons who are incapacitated either by ill health, blindness, incurable diseases, insanity or other permanent disability, from contributing sufficiently to the support of their families.

The provisions for assistance to needy mothers under the Child Welfare Act of the Province of Saskatchewan are the widest of any province in Canada.

Payments may be made to the mother, the grandmother, sister, aunt or other suitable person acting as a foster-mother to the children until the child reaches the age of sixteen years. Assistance is also given if the father dies within one year of leaving the Province, if the family continued to reside in the Province.

The amount of the assistance given under the Mother's Allowance has been increased four times since 1934.

At the end of the last fiscal year, 2,468 families were receiving assistance through the Mother's Allowance. Of this

number 1,646 were widows, in 686 cases the husband was living but incapacitated from earning sufficient to support his family, in 111 cases the Allowance was being paid to guardians of the children, and in 25 cases the Allowance was being paid to deserted wives. The children for whom assistance was given numbered 5,675, and the total payments amounted to over \$514,000.

On May 1, 1944 Premier Patterson announced an increase in Mothers' Allowances effective that date as follows: A mother with one child will receive \$15.00 per month; a mother with two children \$25.00 per month; and \$5.00 per month will be paid for each additional child. Approximately 2,253 families, the number drawing allowances in February, will be affected.

Previously a mother with one child received \$12.50 per month; for the next two children a mother received an additional \$5.00 per month per child and for each additional child \$4.00 per month.

The Bureau of Child Welfare, which administers the Child Welfare Act, in addition to administering Mothers' Allowances provides for the care of neglected and dependent children from those areas where there is no Children's Aid Society, investigates cases of juvenile delinquency, supervises adoptions, arranges for the admission and transportation of blind children to schools in the East, supervises the work of the Children's Aid Societies in the cities, and gives assistance for the care illegitimate children to unmarried girls.

At the last session of the Legislative Assembly a new Department of Reconstruction, Labor and Public Welfare was set up and the Bureau of Child Welfare will be administered by the new Department.

HIGHWAYS

The mileage of the provincial highway system of the Province of Saskatchewan is slightly over 8,000 miles. This is one of the largest provincial highway systems in the Dominion of Canada, and exceeds the combined mileage of the other two western provinces.

Of this provincial highway system, 7,300 miles have been built to highway grade standard, of which 5,000 miles have been gravelled or hard surfaced.

Since 1934 the Liberal Government of the Province of Saskatchewan has built on this system to provincial highway standard new earth grade amounting to 1,227 miles, and has reconstructed a further 1,168 miles.

In the same period 2,842 miles of the system have been gravelled and a further 677 miles have been regravelled. In addition, 110 miles of bituminous surface has been laid.

On the secondary highway system 819 miles have been constructed to secondary highway standard and 150 miles of the secondary system have been gravelled.

The total expenditure on construction of provincial highways and secondary highways has been \$10,673,000, and every dollar of the amount expended has been obtained from current-revenues. Not one dollar of bonds has been issued to pay for highway construction since the Government took office in 1934.

Collateral to the development of the highway system the Provincial Government has assisted in the development of municipal and main market roads both by road grants to be expended by the municipal authorities and by building municipal bridges. The amount expended for these purposes since 1938 has been the sum of \$1,250,000.

Extensive plans have been prepared for a reconstruction programme to meet the post-war period. These plans call for the rebuilding and hard surfacing of two highways, one across the northern portion of the Province and one across the southern portion, connected by a hard surfaced highway from the American boundary to the National Park. Reconstruction plans also call for the construction of development roads into the mining and timber areas at Flin Flon, Lac la Ronge, Ile a la Cross and Buffalo Narrows, and for a wide range of cross-roads connecting these paved highways at strategic points across the province.

DIRECT RELIEF

The need for direct relief in the province has been much reduced due to vastly improved conditions on the farms, but all municipalities in the province have a continuing problem of indigency that has to be met. Under new direct relief regulations issued May 1, 1943, the Provincial Government now contributes 50 percent of the cost of all direct relief issued in urban and rural municipalities, thus Government assistance is now forthcoming to all municipalities regardless of their location or financial position. Previously municipalities had to apply for Government assistance and establish their claim on the basis of their financial inability to handle their problem without assistance. The new basis extends the Government assistance to all municipalities on a more equitable basis.

Farm Labour

The Provincial Government realized that a serious situation was developing on Saskatchewan farms due to the severe shortage of farm labour due to enlistments and a movement of men from Saskatchewan farms to industrial activities in other provinces. Negotiations were entered into with the Federal Government with a view to setting up machinery to

assist the farming community in meeting their farm labour problems and as a result an agreement was entered into with the Federal Department of Labour in 1942 under the terms of which both Governments shared financial responsibility for administration and transportation costs involved in the recruiting and transportation of farm workers to farms in this province. In 1942 the major activity was in arranging for excursions from Eastern Canada to assist in harvesting the crop.

A similar agreement was negotiated in the spring of 1943, it being realized that further enlistments and enrollments of farm workers had again depleted the farm labour supply.

Win the War Committees

A major effort of the Provincial Government was the organization of Win the War Committees in all the rural municipalities and Local Improvement Districts in the Province. There are 380 of these committees actively co-operating with the Governments, Provincial and Federal, in attempting to solve farm labour and agriculture problems.

Through the Win the War Committee set-up, it has now been possible to obtain first hand knowledge of the circumstances on each and every farm in this province, a survey having been conducted by the committees, and as a result of this effort the committees are now in a position to, and do, supply confidential reports on all applications for postponement from military training received by the Mobilization Board. To indicate the extent of the said activities, it is only necessary to point out that Win the War Committees have supplied reports on 30,000 applications for postponement in the past year. The information provided has enabled the Mobilization Board to reach decisions on military call-ups in the best interest of the Nation.

Encouragement has been given to students to accept farm employment in holiday periods. An apprenticeship plan was worked out under which a large number of inexperienced students were encouraged to take farm employment last summer.

Farm Labour Situation

Arrangements were made with the Federal Government to recruit experienced farm workers in Ontario for employment in the harvest fields last year. Twenty-five hundred workers arrived in time to assist in the orderly harvesting last year's crop. Negotiations with military authorities were conducted with a view to getting a maximum number of military leaves to assist in general farming operations during the summer months and particularly to get the release of a large number of soldiers for harvest work.

The Provincial Supervisor of Farm Labour Requirements, through the field staff of the branch and with the co-operation

of the Win the War Committees is asked to investigate and report on applications for military leaves for essential agricultural work. This is a service which has not been available in any other province.

A recruiting campaign was conducted for the purpose of directing men not essential to farms in the winter months to other essential employment. Over 8,000 men were recruited for work in base metal and coal mines, lumber camps, packing plants and other essential industries during the past winter.

A new agreement is now being negotiated with the Federal Government to cover the season 1944-1945. A programme similar to that which was effectively put into operation in 1943 will be worked out for the coming season.

Relief Expenditures

Relief Expenditures from 1929 to 1942-43, inclusive, showing receivables and Cancellations:

	Expenditure in Fiscal Year	Dominion Contribution
September 1, 1929 to April 30, 1930.....	\$ 783,188.38	\$
Year ended April 30, 1931.....	3,031,956.61	1,092,904.71
Year ended April 30, 1932.....	20,526,021.28	8,004,609.81
Year ended April 30, 1933.....	13,405,801.02	6,561,616.04
Year ended April 30, 1934.....	12,705,455.06	2,942,353.87
Year ended April 30, 1935.....	20,986,149.38	2,788,683.69
Year ended April 30, 1936.....	20,403,358.80	2,944,497.54
Year ended April 30, 1937.....	18,800,321.76	11,811,164.18
Year ended April 30, 1938.....	43,500,938.20	25,780,991.74
Year ended April 30, 1939.....	27,961,014.12	12,524,186.48
Year ended April 30, 1940.....	18,565,301.54	5,778,945.25
Year ended April 30, 1941.....	12,080,690.04	2,592,454.48
Year ended April 30, 1942.....	13,662,224.60	575,394.88
Year ended April 30, 1943.....	3,678,487.43	6,251.83
	<hr/>	<hr/>
	\$230,091,008.22	\$ 83,414,054.50
Less Repayments Refunded.....	610,024.06	376,384.46
	<hr/>	<hr/>
	\$229,480,984.16	\$ 83,037,670.04
Less Provincial Share.....	7,384,198.56	
Treasury Bills cancelled by Dominion Government		28,123,235.60
	<hr/>	<hr/>
	\$222,096,785.60	\$111,160,905.64
	<hr/>	<hr/>
Total Expenditure	\$222,096,785.00	
Less Non-Recoverable	\$ 64,260,832.00	
	<hr/>	<hr/>
Amount Charged to Individuals and Municipalities	\$157,835,953.00	
Deduct Cancellations, Write-offs and Repayments	\$ 92,364,414.00	
Amount Owing April 30, 1943.....	\$ 65,471,539.00	
Deduct Write-offs authorized by Legislation of 1944.....	\$ 38,335,874.00	
	<hr/>	<hr/>
Balance	\$ 27,135,665.00	

Of this twenty-seven Million Dollars only \$3,200,000 is for direct relief due from Municipalities as their share of relief, and the balance represents seed, re-establishment and other miscellaneous items.

FINANCIAL POSITION OF MUNICIPALITIES

The general improvement in economic conditions in the Province is strikingly illustrated by tax collections, reduction in bank loans and of debentures and the reduction of accounts payable and the accumulation of a cash balance by municipalities.

Taxation

Taxation for general purposes is being reduced in all urban municipalities, while a slight increase appears in rural municipalities. The reduction in tax levies by urban municipalities has been continuous for quite a number of years, with 1942 showing the lowest tax levy during the past twelve years. Taxation for school purposes shows an almost continuous increase during the past four or five years.

Comparison of taxation on a per capita basis indicates an upward trend in rural municipalities and the opposite in towns and cities. In the latter two classes of municipalities (towns and cities) the per capita tax is the lowest since 1921. In rural municipalities the per capita tax in 1942 was \$19.85, compared with \$27.39 in 1921.

Tax Collections

A general improvement in tax collections took place in 1942 in all classes of municipalities and in rural municipalities the amount collected was the highest since 1929. A comparison of collections in 1943 with the current tax levy shows that in rural municipalities an amount equal to 153.59 per cent. of the current levy was collected, while in villages 122 per cent. and in towns 110 per cent. of the current levy was collected. As a result of these increased collections a substantial reduction has been effected in outstanding arrears of taxes in all classes of municipalities.

Bank Loans Reduced

Substantial reduction was made in bank loans in each of the three classes of municipalities, with a reduction also reported in relief loans of villages, towns and cities. Since 1937 the percentage of reduction in bank loans (excluding seed grain and relief bank loans) was as follows:—

Rural Municipalities, Bank loans..... 83.38 per cent.

Villages 85 per cent.

Towns 82 per cent.

Debentures

Very substantial reductions in the debenture indebtedness of all classes of municipalities as well as in school districts and telephone companies were made in 1942. The outstanding reduction in debenture indebtedness is in respect of rural telephone companies. The reduction in this case was half a million dollars being approximately 20 per cent. of the indebtedness existing at the end of 1941. In towns a reduction of three hundred and thirty thousand dollars took place which was approximately 12 per cent. of the 1941 indebtedness; whilst in cities the reduction was \$1,200,000.00, equal to 6 per cent. of the indebtedness in the previous year. In the school districts of the Province the reduction in debenture indebtedness was eight hundred thousand dollars, which amounts to approximately 9 per cent. of the indebtedness at the end of 1941.

Assets and Liabilities

For the fourth year in succession a general improvement in the financial position of municipalities has taken place. The improvement was much more pronounced in 1942, particularly with respect to the accumulation of cash balances, the reduction of bank loans and debentures. In rural municipalities the cash on hand at the end of 1942 was almost twice the amount on hand at the end of 1939.

All classes of municipalities reduced their accounts payable, including indebtedness to schools and bank loans in 1942. Rural municipalities reduced their bank loans by half a million dollars in 1942, and cities reduced the same class of indebtedness by over six hundred thousand dollars in the same year. A further substantial reduction took place in 1943.

NORTHERN AREAS BRANCH

Unprecedented drought conditions experienced in the southern portion of Saskatchewan, during the period 1929 to 1937, caused a heavy movement of the population from the south to the Park land and gray bush areas of the North. During that period the population of the Northern Areas increased twenty-five percent as against one percent for the whole of the Province.

The drought, which drastically reduced and even in many cases wiped out entirely the farmer's income, had the effect of also greatly cutting down the turnover of practically all lines of business in the urban centres. Reduced business in turn resulted in the reduction of staffs, which further curtailed the purchasing power of the people. Thus a vicious circle of depression, unemployment, and steadily decreasing ability of the consumer to buy goods was set in motion.

To counteract this evil, a number of land settlement schemes were set up by the Anderson government to assist unemployed people of the urban centres and farmers who had lost their holdings to become established on the land. The percentage of failures under these schemes was high due to the land selected being of very inferior quality and in numbers of instances being entirely unsuitable for agriculture. Lack of supervision and the supplying of old worn out horses and equipment were also other factors contributing to these failures.

The one good thing that has come out of the drought period affliction has been the development of the more northerly areas of the arable portion of this province. The movement of settlers to the North, where they encountered conditions with which they were unable to cope with their limited resources, created a potential permanent relief situation unless some government assisted plan of rehabilitations was put into operation. This resulted in the setting up of the Northern Settlers Re-establishment Branch, now known as the Northern Areas Branch, for the purpose of re-establishing on new lands those farmers who had been forced to abandon their holdings in the drought areas.

The primary objective in setting up the Northern Areas Branch was, therefore, to provide assistance to enable these relief recipients to become self-supporting and to assume their rightful position of responsible citizens.

It is estimated that approximately 10,000 families moved North during the period of depression mentioned. Such of these families as needed re-establishment assistance, together with those assisted under the 1931, 1932, 1933 and 1934 relief settlement, and 1934 Mennonite settlement schemes, became the responsibility of this Branch.

Re-establishment

The re-establishment plan included such forms of assistance as adequate housing accommodation, livestock, equipment, repairs, the equipment and drainage, clearing and breaking of land. At the same time relief food and medical services were continued to permit the settlers to remain on and develop their farms. Prior to this, settlers had been forced to leave their homes to obtain work in order to provide for their families.

The number of families who actually participated in the re-establishment scheme as at April 30, 1943, was 6,232 and the cash re-establishment expenditures involved amounted to \$1,857,486.61. Only 632 loans have been discontinued, leaving 5,600 loans still active, of which only 163 families were in receipt of relief at that date. It is true that possibly ten percent of the active loan settlers are not at present located on their farms but have moved to other more essential occupations; considered more essential by reason of the fact that the cultivated acreage is comparatively small as yet on the bush land farms and one farmer can very readily carry on the farming operations for two or three neighbouring farms. That these settlers, who are away, are still vitally interested in their lands is evidenced by the fact that quite a number of these absentee settlers have obtained patents to their homesteads since leaving their farms to engage in other work. In other words, 89.86 per cent of the loans made are still active and of these ninety percent are in occupation of their farms at this time.

Since the beginning of the scheme, settlers were assisted to break 110,000 acres of new land; and to purchase some 5,450 head of horses, 1,875 cows and 7,800 pieces of machinery and equipment. In addition, building material, repairs to machinery, tools, and small livestock such as pigs and poultry, were supplied in substantial quantities and numbers. The drainage work performed resulted in the reclaiming of between 1,100 and 1,200 quarter sections of good land in the Carrot River and Shand Creek districts. This drainage scheme, at a cost of approximately \$100,000.00 cash and \$50,000.00 applied on relief advances, made it unnecessary to locate the settlers of these districts elsewhere. It was found necessary, however, to move 530 families who had located themselves on lands unsuitable for agriculture. To take care of this problem the Natural Resources Department placed at the disposal of this Branch blocks of new lands taken out of forest reservations, from which the Merchantable timber had been harvested.

ADMINISTRATION OF NORTHERN LOCAL IMPROVEMENT DISTRICTS

As a result of very favourable tax collections in the past few years the financial standing of the Local Improvement Districts has greatly improved. This has made it possible to give a much greater measure of service than in the past and along the same lines as that given in Rural Municipalities.

Prior to 1939 Local Improvement District taxes and Public Revenues tax were levied on the basis of a flat rate per acre, the rate in the case of the former being three and one-eighth cents per acre and in the case of the latter, two cents per acre. With the extensive development taking place in the north it was found advisable to discard this system and levy these taxes upon an assessment based on valuation and at a mill rate on the dollar, as is done in Rural Municipalities. This assessment was completed in 1938 and taxes levied on the new basis for the first time in 1939. The advantages of this system are not only that taxes at present are levied on an equitable basis but it means an increase in revenue for both the Local Improvement Districts and the Province, without increasing the burden of the pioneer settler. Furthermore, it made unnecessary the appointment of special assessors and tax collectors for certain groups of school districts, as the Branch undertook the collection of school taxes as well, which are now levied together with the other taxes on the basis of the new system of assessments. The system of taxation at present in force, therefore, is identical to that in Rural Municipalities.

From the standpoint of administration and service, the system also compares very favourably with that in Rural Municipalities. At the present time there are fourteen local offices centrally located, where the District Inspectors make their headquarters, and where ratepayers can get in direct touch with the Branch at all times. The increase in revenues has enabled the Branch to give this service, and to effect a large program of much needed local improvements. Sufficient roadbuilding and maintenance equipment was purchased to permit the building of 2,175.2 miles of new grade, 439 bridges and hundreds of culverts, and to maintain and repair the roads already built. Sites for nine offices were acquired, the necessary buildings have been either erected or purchased outright, and the necessary equipment for all the fourteen offices provided. Besides this, two road machinery warehouses were built and many hamlets supplied with sidewalks and other street improvements. It should be noted that this was all done on the "pay as you go" basis and that no liabilities have been incurred.

School districts numbering 274 throughout the northern Local Improvement Districts have also greatly benefitted

from this new system of taxation and administration. With but few exceptions less difficulty in financing was encountered and this in spite of the fact that teachers' salaries have more than doubled since 1939.

It is admitted that better collections are partly due to certain enactments which prevent a farmer from disposing of all his crop without paying his taxes, but the fact remains that a great deal of arrears have been collected by the Inspectors, which otherwise would have remained outstanding. Furthermore, the large amount of arrears collected enabled school districts to finance without it being necessary to make a sudden sharp increase in the mill rate to look after the increased cost of administration. It would seem, therefore, that the attempt being made to have the Local Improvement Districts pay their own way and render greater service to the taxpayer, is proving successful.

RECONSTRUCTION, LABOUR AND PUBLIC WELFARE

The Liberal Governments of Saskatchewan have been most careful and sympathetic in their attitude towards organized labour and in the interest of the worker. Labour legislation on the statute books of Saskatchewan is considered by the representatives of labour within and outside of the province as being the equal if not superior to labour legislation in the other provinces. As the result legislation at the 1944 session of the legislature the "Dominion War Labour Relations Code" was enacted into the labour laws of Saskatchewan. The Code is a schedule to the bill and as such is part of labour law of Saskatchewan and can only be repealed by an enactment of the legislature.

The Liberal Governments of Saskatchewan are responsible for the following legislation affecting labour:

- The Factories Act
- The Minimum Wage Act
- The Industrial Standards Act
- The Trade Schools Regulation Act
- The One Day's Rest in Seven Act
- The Weekly Half-Holiday Act
- The Labour Relations Act
- The Apprenticeship Act.

The Factories Act

The Factories Act governs the employment of children in factories. It also limits the hours of labour for youths, young girls and women in factories to forty-eight hours in one week. It provides for conveniences such as toilets and wash rooms and for keeping of such conveniences in a good and sanitary

condition; lays down that in no factory shall people be permitted to work at a temperature of less than sixty degrees; provides for ventilation; prohibits over-crowding; provides for drinking water and provides for penalties for neglect of any of the above provisions. It also lays down safety regulations against moving machinery and for fire protection, and provides for inspection of factories by proper officers of the department. Penalties are also provided for infractions of the act by the employer.

The Minimum Wage Act

The Minimum Wage Act does not pretend to insure fair wages for workers. It is merely to provide that wages in certain classes of employment shall not be under the minimum required. It does not prohibit over-time work, but does make provision for punitive over-time rates where workers are engaged more than forty-eight hours a week. Where by reason of a weekly half-holiday the workers do not complete a forty-eight hour week, the regulations prohibit a reduction in the weekly wage rate. Owing to war conditions most employers in Saskatchewan are paying over the minimum wage rates at the present time.

The Industrial Standards Act

The Industrial Standards Act was passed in 1937. The Act is for the purpose of confirming collective agreements made between employers and employees and making such agreements enforceable by law. The agreements may cover working conditions, hours of labour and rates of pay. In addition to that, some of the agreements regulate the minimum charges to be made by employers. This is to prevent price cutting and unfair competition by employers. At the present time there are forty-one Industrial Standard Schedules in force in the province. The main principal of the act is the agreement between a group of employers and their employees.

The Trade Schools Regulation Act

The Trade Schools Regulation Act was passed in 1939. It was found that Trade Schools had been improperly exploiting people in the province by unfair advertising and particularly by unfair contracts. This act was passed for the protection of people who desired to take training from Trade Schools. No Trade School can bring an action in the courts in the province unless the Trade School is properly registered with the Bureau of Labour and Public Welfare. Before registration is allowed a Trade School must deposit with the Bureau of Labour and Public Welfare a bond for \$1,000.00 for the purpose of indemnifying any student who has suffered damages in any way. Under the act regulations have promul-

gated providing that where a student has not completed a course he is entitled to a return of a proportion of the fees that he has paid to the school. Other regulations for the protection of the student are also in effect. Since the act came into effect a considerable amount has been collected from Trade Schools and returned to students who have for various reasons been unable to complete their courses.

One Days Rest in Seven Act

The One Days Rest in Seven act applies only to the cities of the province and provides that employees not employed solely as watchmen, janitors or in managerial positions or employees not usually employed for more than five hours in any one day and certain classes of employees in hotels, restaurants and cafes shall be entitled to one day's rest in every seven days. Employees in hotels, cafes and restaurants are entitled to two one-half days in every seven days. This act does not necessarily permit working employees on Sunday, it merely provides that the employee must receive one day's rest in seven.

The Weekly Half-Holiday Act

The Weekly Half-Holiday Act requires that between the period April 1st to August 31st in every year in every city with a population of 7,000 or over, all shops shall be closed from twelve o'clock noon of Wednesday, and to insure that the employee does receive the weekly half-holiday, it is provided that no employer shall suffer or permit any of his employees in the shop after the hour of twelve-thirty noon.

The Apprenticeship Act

The Apprenticeship Act passed at the 1944 Session of the Legislature provides for setting out rules and regulations governing the hours of work, rate of pay and other matters vital to apprentices under the advice of an advisory committee composed equally of representatives of the workers and employers. Certain trades are listed by that act as being designated trades in which no apprentice may be employed except under the protection of the act. The list of designated trades may be enlarged by order-in-council where it is deemed advisable. Penalties are provided where the employer infringes upon the rights of an apprentice. The act is designed to assist in the training and retraining of service men on their discharge from the army and in the training of youths on the completion of their education. In addition to the practical experience given by the employer, provision is also made for technical training in technical schools besides. The act takes cognizance of the fact that certain trade unions have provision for the training of apprentices in their collective agreements and such plans may be approved by the Apprenticeship Board.

The Labour Relations Act

The Labour Relations Act was passed at the last Session of the Legislature and is the most important step in labour legislation ever taken by any Government of Saskatchewan. At the 1943 Session of the Legislature Mr. G. W. Baker, Liberal M.L.A. for Moose Jaw, introduced a bill, known as 51, to govern the relations between employers and workers. The bill, after being given considerable study, was referred to a Commission composed of The Honourable The Chief Justice of Saskatchewan, W. M. Martin and the Honourable Mr. Justice McDonald, for study. This Commission, known as The Martin Commission, made a report to the Government in December, 1943, generally approving all the principles of Bill 51 and suggesting certain slight amendments. In November, 1943, at the instance of the Federal Government a conference was held in Ottawa between the Federal and Provincial Ministers of Labour and their deputies to discuss the report on labour relations made by Mr. Justice McTague and the other members of the National War Labour Board. As a result of this conference, what is known as P.C. 1003, was put into force by the Federal Government and in P.C. 1003 was a provision that any province desiring to do so might by action of the Legislature adopt the order-in-council as a Labour Relations Code for the province. The Government of Saskatchewan feeling that uniform labour legislation is most desirable, decided to adopt P.C. 1003 as a Provincial Statue, and to discard Bill 51. P.C. 1003 has all the best feature of Bill 51, including compulsory collective bargaining, prohibition of unfair labour practices by employers, conciliation procedure, prohibition of strikes and block outs until the provisions of the act have been complied with. This Legislation has been almost universally approved by the responsible labour leaders of Canada. Some concern has been expressed as to the status of the legislation after cessation of hostilities. However, it is to be noted that while the Federal orders-in-council expire six months after the declaration of peace, this being a provincial statue passed by the Legislature, it will not expire unless some Legislature in the future repeals it.

Labour and Coal Fields

There has been no labour trouble in the Saskatchewan coal fields since the fall of 1939. In 1943 the mines worked to full capacity and a new record of production, 1,663,915 tons, or 382,360 tons more than in the previous years was produced by the mines. This is practically double the annual production in the period 1933 to 1937.

In November 1939 the Government after several attempts had been made at settlement called the conference of operators and the Unions and it was agreed by all parties that all

outside unions should withdraw from the field and that a local union should be set up. In the setting up of the local Union and in negotiating agreements it was agreed that the men should have the assistance of a committee of two experienced labour men and as chairman a Government representative. The result was the setting up of the Central Mine Workers Union of Estevan and district and putting a uniform agreement with all operators in the field and uniform wages in force. This agreement was signed in March 1940 and ended ten years of strife in the field. The wages agreed upon were set as a minimum wage under the provision of the Coal Industries Act. An official of the United Mine Workers of America has made the statement that Saskatchewan was the first region in the world to set up union wages as minimum wages in the mining industry. The union has been successful in obtaining two increases in wages.

WORKMEN'S COMPENSATION

The Workman's Compensation (Accident Fund) Act came into full operation on July 2, 1930. The passage of the Act was the result of representations made to the Liberal Government over a period of several years and the Liberal Government under the Hon. James G. Gardiner, prior to the introduction the legislature appointed a Commission of Enquiry to establish the feasibility of the application of such legislation to a province which was maintaining no industrial payroll as compared to the other provinces where such legislation was in force. The Commission in its report found that workmen's compensation legislation could be initiated and could be administered successfully in this province.

Prior to the Workmen's Compensation legislation becoming operative compensation for accidents was recoverable through the courts and the legislation limited the compensation payable to \$2,500 and was applicable to employment in railways, factories, mines and quarries or engineers or construction. The workmen's right of action to recover more than \$2,500 depended upon proof of negligence on part of the employer and negligence was provable in a very limited number of cases. The success of the operation of workmen's compensation legislation in the province is very pointedly illustrated by statistics of the Workmen's Compensation Board which administers the act. Total benefits paid by the Board since the commencement of the act and up to March 31, 1944 have been \$6,359,643.03 divided as follows:

Compensation for temporary disabilities....	\$2,686,938.57
Compensation for Permanent disabilities....	2,311,641.34
Medical aid	1,361,043.12

The total number of accidents which have occurred for which claims were reported has been 77,857, including 160 death claims.

The Board has under its care as of March 31, 1944, 532 pensioners, the family of deceased workman being treated for the purpose of this computation as a single pensioner.

The book value of the bonds held by the Board as security for the payment of pensioners for disaster reserves and otherwise as at March 31, 1944, amounted to \$2,507,668.30.

The Present Act

When the Workmen's Compensation legislation became operative in the province the basic changes which were made from the previous legislation were as follows:

- (a) Extension of Workmen's Compensation to workers in practically all lines of industry and to all accidents arising out of the employment, without regard to negligence of the employer, and the making of certain industrial diseases compensable.
- (b) The substitution of a speedy, informal and inexpensive adjudication of claims for slow and costly court procedure, permitting financial and medical aid at the time it is most urgently needed.
- (c) The distribution of the accident cost amongst all employers by means of a collective Fund which serves to assure that the workman will receive payment and at the same time relieves the employer from individual risk or the necessity of carrying high cost insurance, the system operating as a mutual insurance system.

Changes in the Act

Important amendments were made to the Workmen's Compensation (Accident Fund) Act in 1937 and provided that the conditional waiting period of seven days was changed to an absolute waiting period of three days. The time for reporting hernia first set at twenty-four hours was extended in 1943 to seventy-two hours and again in 1937 was extended from seventy-two hours to seven calendar days. Workmen were conceded the right to renewal and repair of artificial limbs and surgical appliances. The list of industrial diseases was extended. In 1942 amendments were made to the same Act to meet situations which administrators of the Act indicated were desirable. Frostbite was made compensable. Power was given the Board to extend payments to children beyond 16 years to 18 years for educational purposes. The Board was also empowered to replace and repair broken dentures when resulting from accident in employment. The schedule of compensable industrial diseases was extended by adding thirteen additional diseases.

Amendments in 1944

Again in 1944 important amendments were made to the Act as the result of administrative experience. The hernia section was modified. Children's allowances were increased from \$10.00 to \$12.00 per month. Orphan children's allowances were increased from \$15.00 to \$20.00 per month, and at the same time the restriction that compensation to dependents of a deceased workman must not exceed sixty-six and two-thirds percent of his average wages was eliminated so as to permit future payments of compensation equivalent to the deceased workman's average wages, not, however, to exceed \$2,000.00. A further amendment was to the effect that certain pensions provided by employers should no longer be deductible from the workman's compensation.

From time to time employers and workmen not included within the scope of the Act have sought the protection of the Act and this has been arranged by Government approved regulations. Amongst industries most recently admitted in this way may be included Rural Telephone Companies, Co-operative Purchasing Associations, Bulk Oil Stations, and Hospitals.

This legislation has worked very well in Saskatchewan. The liberality of the benefits provided under the Act are admitted. The Saskatchewan Legislation is entirely free from restrictions which appear in the acts of certain other Provinces and States. In Saskatchewan the employer pays the entire cost of both the compensation and medical aid while in certain of the other jurisdictions levy is made upon the workmen for either total or partial medical costs.

Operates on a Cost Basis

Under the legislation in Saskatchewan the Board functions on a cost non-profit basis which makes possible the greatest liberality of benefits to the workmen with the minimum cost to the employer. There is simplicity of procedure and promptness in paying claims, compensation cheques being issued automatically upon the filling of written reports from the employer, the workman, and the attending physician, certifying to the accident and to the resultant injury.

ZONING FOR CREAM COLLECTION

(See page 6 for first portion of Tax Commission, Safety and Traffic Division)

In 1942, to insure the future of the marketing of cream and the manufacture of butter, much required in the war effort, the Dominion Government requested the co-operation of the Provincial Authorities and the cream operators in the saving of trucks and their equipment. The former zoning system of the Highway Traffic Board was revised and in co-operation with the creamery operators a new system of zoning

was adopted by the Dominion Government. This provided for the production in specified areas being earmarked for particular creamery centres. This zoning system was set up on the understanding that should it be found that, notwithstanding conditions in any particular section of the province, a creamery had lost or gained to the benefit or detriment of another creamery in an adjoining zone the boundary would be altered. For the purpose of dealing with such adjustments as might arise, an independent committee was set up. This committee consists of the Dairy Commissioner, Department of Agriculture of the Provincial Government, the Chairman of The Highway Traffic Board and the Dominion Government Regional Truck Control Officer. As a result of the institution of this system of cream handling it is estimated that between May 1, 1943 and October 31, 1943, compared with the same period in 1942, one and a half million truck miles were saved—thus resulting in the saving of equipment, parts, rubber and gasoline and prolonging the life of the trucks affected and consequently insuring an adequate and efficient service to the farmers for the future war period.

So successful has the Highway Traffic Board of the Province of Saskatchewan been in its efforts to assist in the war and also the Advisory Committee above referred to in their efforts to continue essential services to the public and insure these being carried on for the future, that after an examination of the situations in all provinces by the Dominion provinces.

DEBT ADJUSTMENT AND RE-ESTABLISHMENT

The Liberal Government of Saskatchewan, through the period when farm debts were a problem to the farmers, inaugurated a debt adjustment programme which has operated so successfully that a large portion of the debt has been removed from agriculture. This was accomplished with very little disturbance to the economic life of the people. The Liberal policy was founded upon the principle of voluntary, amicable settlement rather than upon compulsion. It has resulted in the removal of \$243,863,969 of debt from the farmers and from urban dwellers. From the start the Liberal Government dealt with debt adjustment as one phase of the re-establishment of agriculture.

Simultaneous with the adjustment of debts through the various agencies both provincial and Federal the Liberal Government of Saskatchewan has rewritten the laws respecting the buying and selling of land and chattels on the basis of the experience of the people and not upon a form or procedure imported from any other country. The objective which was

set was to prevent the accumulation of debt in the future. The Government policy which was adopted and the laws which were enacted have not only resulted in the removal of hundreds of millions of dollars debt from the shoulders of individuals, but, has made it possible for the people of Saskatchewan to avoid ever again to finding themselves burdened with the volume of debt which existed in the beginning of the period of drought and depression.

The Liberal Government at first concerned itself with Debt Adjustment and every facility and power was utilized to affect an adjustment of debt in those severe and disastrous days of drought and crop failure. There are thousands of people in possession of their land and their homes at the present time who would not be there but for this persistent action of the Government. These people have either realized their ambition or advanced toward the attainment of it namely, a clear title to their homes and to their lands.

Protection Has Been Given

The Government and the Legislature of Saskatchewan have gone further than any other Legislative body in the world in the matter of providing protection to the people upon the land who find themselves in difficulties in any year because of circumstances over which they have no control.

In 1941 it was provided by Statute that any purchaser, mortgagor, or lessee may in any year in which he finds himself unable to pay his obligations, deduct from the proceeds of his crop, his legitimate cost of harvesting that crop together with the necessary living allowances to support himself and his family, the necessary seed for the next year and the cost of his farming operations until the crop of the following year has been harvested, before he can be called upon to make payment of his creditors.

Thus there is now in the Statute Law the provision formerly made by Order-in-Council and which was outlined by Premier Patterson in his Manifesto of 1938, respecting the disposal of the proceeds of the 1938 crop.

Adjustment of Debts

Under Government supervision from 1934 when the Liberal Government was returned to power to the present time the individual debts of the citizens of the province have been adjusted and written off to the extent of the following amounts:

Mortgages and Agreements for Sale.....	\$ 37,140,908.96
Taxes and Tax Sale Certificates.....	24,617,497.15
Relief Cancellations already made.....	85,841,151.16
Relief Cancellations authorized by legislation of 1944	38,335,874.00

Adjustments by Board of Review under F.C.A.A.	37,181,897.00
Adjustments by Provincial Debt Adjustment	
Board	2,791,659.24
School Land Contracts	13,276,728.02
Homestead Purchases	931,936.56
Provincial Lands	733,949.70
*Local Government Board	2,512,364.77
	\$243,363,968.56

*The Local Government Board write off included debenture debt of School Districts; Rural Telephone Companies, Rural Municipalities Union Hospital Districts, Municipal bank loans and municipal debts generally.

In addition to the above the reduction in interest on mortgages and agreements for sale secured by the Government in 1937 must be taken into account. As part of the Drouth Area Debt adjustment plan the Government secured a reduction in the rate of interest on all farm mortgages and agreements for sale to 6 per cent. This was estimated to involve an annual reduction in interest of \$4,000,000. With the substantial reduction of farm debt which has taken place in recent years this annual interest saving naturally is less, but it still represents a substantial saving to the people.

DEPARTMENT OF NATURAL RESOURCES

Modern warfare makes colossal demands upon the natural resources of the world. It is because of its great wealth of natural resources both in variety and volume that Canada has been able to make its great contribution to the all-out war effort of the United Nations, and established this Dominion as the world's fourth greatest producer of mechanized equipment of all kinds, guns, and munitions, and the third largest builder of ships, while Canada's agricultural lands have been the basis of an unprecedented production of foodstuffs. While Saskatchewan's greatest contribution has come out of the land through the energy of its farmers and producers of livestock, the natural resources of Saskatchewan in minerals, timber, fisheries, clays and fur have been developed to occupy an important place in the national economy and war effort of the Canadian nation.

Mines

In the last complete fiscal year before the outbreak of war, Saskatchewan's total production of metals, sodium sulphate, clays, coal, etc., had a value of \$7,801,000. Last year (1943-44) the value was \$26,530,000. In the last four years Saskatchewan has produced 337,764 oz. of gold valued at \$19,186,000; silver 7,578,000 oz. valued at \$3,167,000; copper 126,942,000 lbs. valued at \$13,743,000; zinc 223,371,000 lbs. valued at \$8,117,000.

Production of coal has steadily increased, rising from

1,039,121 tons in 1938 to 1,777,833 tons in 1943,—a record production valued at approximately \$2,700,000.

Natural gas metered and consumed in 1943 totalled 111,-000,000 cubic feet, valued at \$43,179.

Sodium sulphate production had risen by 1942 to over 127,000 tons, valued at more than \$1,120,000.

Saskatchewan clays have provided all the fire brick, forms and shapes used by both railway systems in Western Canada, and also for naval and mercantile ships, chemical and other war plants, and for the manufacture of hotel ware required by the armed forces.

The Search for Oil

Recognizing the need for vast quantities of oil, and the urgent necessity of discovering, if possible, extensive fields of natural gas, the Government has entered into carefully prepared agreements with different companies and individuals to conduct highly scientific explorations for these petroleum products. Under these agreements large areas are reserved to the Crown (not to the prospecting companies). The explorations are carried out without cost to the Government, and in event of oil or natural gas being discovered the Provincial revenues and the interests of the public are fully and adequately protected. Approximately \$2,000,000 has been expended in this scientific and very costly investigation, but, unfortunately, without as yet disclosing either oil or gas in commercial quantities. The work is continuing and it is estimated that close to another million dollars will be expended in 1944.

Forestry

The annual production of forest products of the province has received a considerable impetus during the war years due in the main to the very large demand for lumber. The revenue of the Forest Branch of the Department has accordingly increased and in the fiscal year 1943-44 it was approximately \$700,000, an increase of \$35,000 over the previous year.

Seventeen provincial forests have been created under the Forest Act covering an area of 6,560,800 acres of 10,720 square miles. These areas have been dedicated to the perpetual growth of timber and to preserve the forest covering thereon.

With such a large area of timber one of the greatest responsibilities of the Forest Branch is the protection of this valuable asset. The Forest firefighting organization is recognized as one of the best in the Dominion. It is based upon a permanent staff of experienced field officers in the forest area, supplemented during the fire season with seasonal assistants who carry on patrols, man the look-out towers, operate the radio sets, and perform such other duties as are necessary. The fire-fighting organization is equipped with the most modern type of equipment consisting of Bulldozers, tractors

and fire pumps equipped with 50,000 feet of linen hose. Transportation is provided by 34 large and small trucks, 16 railway motor cars and 50 canoes powered by out-board motors. In order to keep in close touch with the fire situation at all times a network of 48 receiving and transmitting radio sets are in operation. There are over 80 observation towers in the forest area, 23 of which are 80-foot steel towers.

The three forestry nurseries now in operation have been enlarged to provide a production of over one million plants per year or sufficient to plant 1,000 acres yearly. Post-war plans call for further expansion of these nurseries or the establishment of additional ones.

In 1942-43 there were 394 sawmills in operation in the north giving employment to 1,800 in the mills themselves and 2,700 employed in the bush.

Production of Forest Products

The following is the annual production of forest products:

	1942-1943	Estimated 1934-1944
Lumber	131,861,054 F.B.M.	150,000,000
Railway Ties	486,090 pcs.	450,000
Building Logs, etc.....	205,131 lin. ft.	200,000
Poles, Rails and Posts....	172,414 pcs.	180,000
Pulpwood and Boxwood..	48,653 cds.	65,000
Fuelwood	44,629 cds.	100,000

The value of production for 1942-43 was \$4,948,729.76.

As part of the educational activities carried on by the Department, co-operation is given annually to the Canadian Forestry Association in the tour of the Tree Planting and Forestry car. Every year 10,000 persons attend the lectures and the exhibits in this car, all stressing forest and wild life conservation.

Temporary field officers and seasonal help for the Forestry Department receive the benefits of a ten-day Forestry Course. In 1943 the course at Grassy Lake School was attended by eighteen students who, in addition to taking the lectures, were instructed in practical field work under the supervision of qualified technical foresters.

When a possibility of fuel shortage developed in the fall of 1943 the Fuelwood Controller set up camps in the northern part of Saskatchewan and approximately 140 men were employed for a period of three months and a total of 8,000 cords of fuelwood cut.

Fisheries

Saskatchewan's fresh water fisheries are an important Provincial asset, providing, as they do, a livelihood for many people, especially in the northern areas, and seasonal employment for many more. The Government has given close atten-

tion to the problems confronting the industry and far-reaching policies, from the standpoint of both immediate and long term requirements, have been developed in close co-operation with the Federal and Manitoba and Alberta Governments, and the industry itself.

As a result of representations by the three Prairie Provinces, the Federal Government has announced its intention to establish a permanent Fisheries Research Station in Western Canada along lines similar to those maintained on the Atlantic and Pacific coasts, and to appoint a Chief Inspector of Fisheries for the three Prairie Provinces.

Surveys of all commercial fishing lakes in Saskatchewan are being undertaken this year, a new fish hatchery is under construction in the north at Lac la Ronge, with others to be erected as soon as equipment is made available, and a complete system of inspection inaugurated with the object of raising the quality of all fish offered for sale and export.

Production and value of Saskatchewan fresh water fish in 1943-44 was the highest in the history of the Province. It is the aim of the Government not merely to maintain but to further develop and enhance the value of our fisheries.

Lands

The Government is the owner of millions of acres of Provincial lands, and the trustee of all School Lands, and both are administered as a trust for the people. Revenues collected from lands, both Provincial and School lands, are higher today than in any previous period. This is accounted for by reason of largely increased payments of principal and overdue interest on land sales made in past years, and prompt payment of current rentals and on crop share agreements. Moneys received on account of School Lands, as principal, interest, or any other source, do not enter into the current revenues of the Government but are credited to the School Lands Trust Fund and deposited in the Education Fund. These revenues are today the highest ever recorded.

Following the outbreak of war, the Government stopped acceptance of new homestead entries, the making of sales or long term leasing of Provincial lands, and postponed all sales of School Lands for the duration and a reasonable period thereafter. This was done in order that lands might be available for rehabilitation and resettlement of returning members of the armed services, and in order that such lands should not be permanently disposed of in their absence. The Government feels that those who are defending our peoples' right to these lands should have an equal, or preferential, opportunity to obtain them upon their return.

Game and Fur

Wild bird and animal life is one of Saskatchewan's great attractions,—a resource giving pleasure and sport to residents and visitors alike and bringing throngs of tourists and hunters in normal times. It constitutes a very substantial source of revenue to the Province and income to our farmers and business men. Protective and conservation measures are of major concern to the Game Branch of the Department of Natural Resources, aided by a Game Advisory Committee appointed by the Lieutenant Governor in Council, largely upon the recommendation of the members of the Saskatchewan Fish and Game League.

Of major importance, also, is the propagation and preservation of furbearing animals which provide such a large part of the income and livelihood of Indians, half-breeds and the more northerly settlers, while fur farming has become an established business in many parts of the Province.

With the object of assisting the residents of the northern areas of the Province, two advanced policies have been put into effect by the Patterson Government. In 1939 the Northern Saskatchewan Conservation Board was created by joint action of the Federal and Provincial Governments. A survey was then made to determine the fur bearing possibilities of different sections of the north country. From this survey three areas were selected for intensive development and were set aside as game preserves. The preserves have been given the names of the main lakes as follows:

Clarke-Beaupre Lakes Game Preserve, area 540.5 sq. miles.

Emmeline-Swan Lakes Game Preserve, area 442 sq. miles.

Kazan-Cumins Lakes Game Preserve, area 891 sq. miles.

Water control measures were undertaken in each preserve and beaver introduced.

As a second step and in order to prevent further mining of the fur resources and to give the residents of the north security in their trapping grounds, a plan has been put in operation which will secure to these residents their trapping grounds outside of the game preserves. The established trappers are being granted registered trapline licences covering their trapping grounds. These licences give exclusive trapping privileges to the trapper and have the effect of encouraging him to improve his own area. Approximately half of the northern trappers have their trapping grounds recorded.

To assist in the development of private fur farming, the Government appointed a special trained supervisor to inspect fur farms and to give expert advice and instruction to the fur farmers in all matters pertaining to the industry.

PUBLIC WORKS

The Public Works Department of the Provincial Government has the responsibility of maintaining in a state of high efficiency the public buildings and institutions which the Government has constructed in order to provide the people of Saskatchewan with the services which they require.

The Public buildings which successive Liberal Governments had erected in the province are impressive in architectural design dignified. In no sense do they represent an easy spending of the people's money merely because they have been built by the Government. They stand as evidence that the Government has obtained a dollar of value for every dollar of the sum in excess of twenty million dollars which has been expended upon them. Never in the history of Saskatchewan has a dollar of this large expenditure ever been successfully challenged.

These public buildings, include the beautiful Legislative Buildings, in the capital city; the group of buildings comprising the University of Saskatchewan at Saskatoon; the Mental Hospitals at North, Battleford and Weyburn; the Normal Schools at Regina, Saskatoon and Moose Jaw; the Sanitoria at Fort Qu'Appelle (acquired), Saskatoon and Prince Albert, Court Houses in the various Judicial Districts, Land Title Offices, the Home for the Aged and Infirm at Wolseley, and the Provincial Goals. With the single exception of the School for Deaf at Saskatoon, all of these buildings were erected by Liberal Government.

New Medical College Planned

The Government has plans under way for the erection, in addition to the Medical College, of a third mental hospital. This latter institution is necessitated by over-crowded condition of the two existing institutions. The Sanitoria at Fort Qu'Appelle is to be extended this year in order to provide additional accommodation for members of the armed services, and the Dominion Government is contributing substantially to the cost of construction.

Since 1938 large expenditures have been made at both North Battleford and Weyburn mental hospitals in order to assure a sufficient water supply to meet the needs of institutions caring for a greatly increased number of patients. An abundant and visible water supply is essential for the operation of such an institution.

The Public Works Department has established and has in operation an irrigation farm in connection with the Mental Hospital at North Battleford. It comprises of 650 acres and an immense quantity of vegetables used in the institution have

been produced as well as a large quantity of small fruits. The area of the farm devoted to grain and fodder has also been highly productive. An irrigation farm is particularly adaptable to such an institution as a part of the occupational therapy treatment.

In the future as in the development years of Saskatchewan, Liberal Governments will be restricted only in the matter of providing public buildings and institutions to serve the various needs of the people, by the determination that there shall be full value for all money expended.

Saskatchewan's public buildings and institutions have been capably and efficiently managed and evidence of this is to be found in the adoption by other provinces of a similar system of administration.

SASKATCHEWAN ASSESSMENT COMMISSION

In response to resolutions passed by the Saskatchewan Association of Rural Municipalities in annual Convention the Government authorized the Saskatchewan Assessment Commission to undertake a re-assessment of the rural municipalities of the Province. The work of re-assessment was commenced in the year 1939 and has been carried on by men specially trained by courses at the Provincial University in soil classification, farm management, farm economics and principles of assessment. It was intended that the work should be completed in 1943 but owing to the enlistment for active service of a number of the men employed as assessors the completion of the work has been somewhat delayed. Up to the end of April of this year 266 rural municipalities had been re-assessed, leaving 37 still to be done. In 247 rural municipalities there has been a reduction in farm land assessment of \$214,575,000 and an increase in farm land assessment in 19 rural municipalities of \$6,405,000, or a total net reduction of \$208,170,000, or 27.49 percent. The cost of the re-assessment is paid by the Government in the first instance and charged to the individual municipalities on the basis of the cost of the service rendered in each case.

Urban Re-assessments

Complying with the request contained in the resolution passed by the Saskatchewan Urban Municipalities Association at its annual Convention in 1941 the Government authorized the Minister of Municipal Affairs to appoint a special Committee to investigate and report on the system of assessment in the urban municipalities of the Province. This Committee was appointed in October, 1942, with Dean F. C. Cronkite, K.C., Dean of Law, University of Saskatchewan, as Chairman, and

was composed of leading urban municipal men in the Province. The Committee made a careful enquiry into the subject of urban municipal assessments and submitted an exhaustive report to the Government. The recommendations of the Committee are being carefully studied with a view to enactment of desirable legislation.

SECURITIES FRAUD PREVENTION

To protect the people of Saskatchewan against "high pressure" methods used by those promoting the sale of highly speculative securities the Saskatchewan Legislature passed an amendment to the Securities Fraud Prevention Act in 1942. This act makes it illegal to call at any residence and trade in any securities with the public or any member of the public. The Act also provides that no broker or salesman can make any representation written or oral that he, or any other person will resell, or repurchase, list or make application to list upon any stock exchange, or refund all or any of the purchase price of any securities offered for sale by the broker or salesman or give any guarantee relating thereto.

The people of Saskatchewan have been warned by the Attorney General, J. W. Estey, to beware of high pressure stock salesmen particularly of those who advocate that Victory Bonds, War Savings Certificates or Saskatchewan Bonds be surrendered for highly speculative securities.

The protection provided to the people of Saskatchewan goes as far as that in any other province of the Dominion, but the individual cannot be too careful in his or her dealings particularly with reference to speculative securities. There are many reliable establishments in Saskatchewan which can be consulted by those desiring to deal in securities or purchase new securities.

The Securities Fraud Prevention Act does not apply to the sale of bonds of any Government in Canada or Great Britain or of any municipality or any other incorporated body in Canada which is empowered by Statute to obtain money necessary for the payment of interest and redemption of bonds by public taxation. The sale of units in a mining syndicate with a capital of not more than \$35,000 by a bona fide prospector who has a substantial interest in the syndicate is also exempted. The people of Saskatchewan should be on their guard against those who may call them by long distance telephone urging them to buy stocks and also against circular letters, "confidential letters" and other means of approach urging immediate purchase of speculative stocks.

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SEE separate pamphlets on PUBLIC HEALTH; THE FARMERS
CHARTER, (debt adjustment legislation), EDUCATION, and
THE EDUCATION TAX, and "DO NOT GIVE UP THE TITLE
TO YOUR HOME".